



Health Services
LOS ANGELES COUNTY

October 26, 2007

**Los Angeles County
Board of Supervisors**

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TO: Each Supervisor

FROM: Bruce A. Chernof, M.D.
Director and Chief Medical Officer

**SUBJECT: UPDATE ON MARTIN LUTHER KING, JR. – HARBOR
HOSPITAL EMPLOYEE MITIGATION AND RELATED ISSUES**

Bruce A. Chernof, MD
Director and Chief Medical Officer

John R. Cochran III
Chief Deputy Director

Robert G. Splawn, MD
Senior Medical Director

The following report will provide your Board with additional information related to the employee mitigation at Martin Luther King, Jr. – Harbor Hospital (MLK-H) and respond to the questions raised during the October 16, 2007 Board meeting.

I. MLK-H Employee Mitigations from November 2006, through September 2007

Over the last twelve months, there were a number of mitigations of employees from MLK-H to other Department of Health Services (DHS) facilities. The first mitigation occurred in November 2006, when the Pediatric, Neonatal Intensive Care Unit (NICU), and Pediatric Intensive Care Unit (PICU), including 21 MLK-H employees who staffed these units, transferred from MLK-H to Harbor-UCLA Medical Center (Harbor). On December 1, 2006, 252 residents left MLK-H and were mitigated to other private and County hospitals for the remainder of the training year, which ended on June 30, 2007. The next mitigation occurred in December 2006, when 113 staff from the psychiatry programs at MLK-H transferred to LAC+USC Medical Center, who took over the psychiatric inpatient programs at Augustus F. Hawkins.

The next mitigation took place in February 2007 as part of downsizing of MLK-H to a community hospital, when 395 MLK-H employees plus 54 physicians, who were not selected to remain at the MLK-H, were transferred throughout the Department. The latest mitigation occurred in September 2007, as result of closing the emergency department and remaining inpatient units, when 567 additional employees were mitigated. Also, the September mitigation included 21 employees who were transferred to other County departments. In addition to these mitigations, there currently remain 103 MLK-H employees on long-term leaves of absence, who will be mitigated upon their return to work.

II. MLK-H Employees leaving County Services (Retirements, Discharges, Resignations)

It is important to note, that in addition to the approximately 1,274 MLK-H

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employees who were mitigated from November 2007 through September 12, 2007, an additional 271 MLK-H employees left (retired, resigned or terminated from) County service from April 1, 2007 through August 31, 2007. During this time, competency testing was being conducted. Some of these individuals may have chosen one of these approaches to avoid the competency review.

III. MLK-H Employees on long-term Leave of Absence (LOA)

As mentioned above, 103 MLK-H employees currently remain on leaves of absence. Of these 58 are Worker's Compensation cases, resulting from Industrial Accidents. These are being followed by the Chief Executive Office's Risk Management Unit. The remaining 45 employees are either on Family-Medical Leave Act (FMLA) or long-term medical disability, and receive disability insurance. The Department's Human Resources Division implemented a central tracking process and is actively managing these employees. Specifically, in September, DHS HR sent certified letters to all employees on long-term medical disability requiring medical recertification of their disability.

It should be noted that of the 103 employees on long-term leaves, 21 went on leave while MLK-H implemented competency reviews on April 1, 2007.

In addition to the long-term leaves of absence, two employees are on extended military leave.

IV. Unassigned Staff

As of today, 12 MLK-H employees are on hold status with special assignment needs. Of these employees, 10 are physicians, one is a physician assistant, and one is a clerical staff. The clerical staff will be at the new assignment starting October 29th. Ten of the remaining staff are awaiting final assignment and are currently working at the MLK MACC.

V. Matching of mitigated MLK employees with new budgeted positions at Harbor UCLA Medical Center and Rancho Los Amigos National Rehabilitation Center

At the October 16, 2007 meeting, your Board approved 357 new budgeted positions for Harbor and Rancho Los Amigos National Rehabilitation Center (Rancho) budget units, which are necessary to staff the additional bed capacities at these two hospitals. At the same time 1,171 positions were deleted from the MLK-H budget, of which 27 budgeted positions were transferred to Hubert. H. Humphrey Comprehensive Health Center and 170 budgeted positions to Harbor for facility management, materials management, and dental residency program, for a total net reduction of 974 budgeted positions. With the addition of 357 budgeted positions for the new Harbor and Rancho beds, the Department had a net reduction of 617 positions, approved through the supplemental budget resolution on October 16, 2007. This reduction of budgeted MLK-H positions was in addition to the reduction of

584 net budgeted positions, as part of the Board adopted budget on June 18, 2007. Of the 357 budgeted positions, 86 positions were needed to provide budgeted items for the added staffing for the 26 additional beds, which occurred during fiscal year 2006-07, to accommodate the increased patient load from the downsizing of MLK-H. Additionally, the 357 budgeted items include 3 budgeted positions to fund the Gastroenterology and Endocrinology fellows from Drew-sponsored programs in order for them to complete their residency.

The remaining 268 budgeted items for Rancho and Harbor were for the additional 70 beds to be opened at these two facilities. The September 2007 mitigation process was based on the following principles and priorities:

- Needs of the MLK MACC, and Harbor and Rancho for the additional beds, as per proposal in the supplemental budget.
- Matching of employee skills to vacancies identified on the Department's September 2007 vacancy report
- Employee geographical preferences and seniority
- Operational impact on the receiving facility
- Employee hardship applications (88)

Of the remaining 268 new positions the Department was able to fill 77 vacancies through the mitigation process: of the 204 budgeted positions at Rancho, the Department was able to fill 52 positions, through mitigation, and of the remaining 64 new positions at Harbor, we were able to fill 25 positions. However, both Rancho and Harbor received an additional 50 employees through the mitigation process, who did not meet the skills-set for the new budgeted positions, but were needed to fill other existing vacancies. The 567 mitigated MLK employees could not fill all 268 positions, because there was an insufficient match of items and an insufficient match of skill-sets for the vacant positions.

It should also be noted, that Rancho is planning to gradually staff up to the 50 additionally beds, and therefore did not need all 204 staff at the time of mitigation in September.

VI. Matching of physician specialist positions with new budgeted positions at Harbor and Rancho

At the time of mitigation, a total of 89 physician specialists were working at MLK-H. Of these, 19 physician specialists were not available for mitigation, for the following reasons: 4 were on long-term leaves of absence, 2 resigned and 12 were on hold for final assignment. Of the remaining 71 physician specialists, 55 were required to staff the MLK MACC. This left 16 physicians for mitigation to other facilities, 6 of which could be matched to the clinical skills needed at Rancho, 3 were matched with Harbor, and the remaining 7 physician specialists were matched at LAC+USC, Juvenile Court Health Services, and Hubert H. Humphrey Comprehensive Health Center.

VII. Number of registry staff reduced by the transfer

MLK-H hospital, including the outpatient clinics and urgent care center, had a very high number of registry staff, particularly in nursing. As reported above, one of the criteria for mitigation was to first fill the necessary positions for the MLK-MACC, in order to avoid a continued heavy reliance on registry staff. This meant only 175 nursing staff in all nursing classifications was available to be mitigated to the other facilities. Harbor and Rancho, which also had top priority for filling their needed items, particularly for the new budgeted positions. Also, some of the mitigated MLK-H nursing staff was performing work, for which the Department does not use registry staff (e.g., utilization review nurses). In addition to the nurses, there are other job classifications, for which the Department has to resort to registry due to staff shortages. In total, 110 of the mitigated staff were identified that could potentially replace a registry staff. Attachment I outlines these 110 employees by facility, the number of registries to be reduced and the reasons if a one-to-one reduction could not be achieved. The total estimated annual amount of registry cost reduction is \$2.3 million.

I hope this addresses your Boards questions. If you have any additional questions or need further information, please let me know.

BAC:rs

Attachment

c: Chief Executive Officer
County Counsel
Executive Officer, Board of Supervisors

LOS ANGELES COUNTY - DEPARTMENT OF HEALTH SERVICES
ESTIMATED REDUCTION OF REGISTRIES DUE TO MLK MITIGATION
FISCAL YEAR 2007-08
(\$ in Millions)

<u>Facility</u>	<u>Items that Facility uses Registries for</u> ^(A)	<u>No. of Registries to be Reduced</u>	<u>FY 2007-08 Estimated Savings</u>
LAC+USC	61	61	\$ 1.927
El Monte CHC	1	1	0.029
H/UCLA	19	4 ^(B)	0.150
Long Beach CHC	1	-	-
Humphrey CHC	6	1 ^(C)	0.016
Rancho	17	- ^(D)	-
ValleyCare	4 ^(E)	4	0.205
JCHS	1	-	-
Total	<u>110</u>	<u>71</u>	<u>\$ 2.327</u>

Notes Provided by Facilities:

- (A) Each facility uses registries for different specialties and in some cases do not use all available registry services. Therefore, when registries are not being used, reduction is not possible.
- (B) H/UCLA indicates minimal reduction in registry employees due to need to staff 20 additional beds that are to be opened as part of the MetroCare contingency plan.
- (C) Humphrey CHC indicates that of the 6 employees, 2 were already working at Humphrey for the last 2 years, but the budgeted items remained at MLK and 4 are RN's that were assigned to non-Urgent Care clinics where Humphrey does not use registry services.
- (D) Rancho indicates no reduction in registry use due to need to staff 52 additional beds that are to be opened as part of the MetroCare contingency plan.
- (E) Excludes 5 employees due to the following: 3 employees cited hardship concerns and did not remain at the facility, 1 employee was a no-show, and 1 employee terminated County service after placement.